



Department of Justice

United States Attorney Gregory G. Lockhart
Southern District of Ohio

FOR IMMEDIATE RELEASE
WEDNESDAY, NOVEMBER 5, 2008
<http://www.usdoj.gov/usao/ohs>

CONTACT: Fred Alverson
614-469-5715

FLEMING WOMAN PLEADS GUILTY TO TAX CRIMES

COLUMBUS – Erin M. Stewart, age 34, of Fleming, Ohio, plead guilty to filing a false 2002 federal income tax return with the Internal Revenue Service (IRS), and to wire fraud relative to defrauding her mother out of more than \$400,000 over a twelve-year period.

Gregory G. Lockhart, United States Attorney for the Southern District of Ohio and Jose A. Gonzalez, Special Agent in Charge, Internal Revenue Service Criminal Investigation announced the guilty plea entered today before United States District Judge Gregory L. Frost.

According to testimony and public court records, beginning in April 1995, Stewart knowingly devised a scheme to defraud her mother, Judith O'Maille, of Marietta, Ohio, and to obtain her mother's money and property by means of false and fraudulent pretenses, representations and promises.

On April 4, 1995, Stewart was given her mother's power-of-attorney generally for the purposes of providing financial support for her mother, to assist in the preparation of true and accurate income tax returns on behalf of her mother, to pay proper taxes for her mother, and otherwise to faithfully attend to various accounts and business arrangements for the benefit of her mother.

Stewart looted retirement accounts previously established for her mother by her father by systematically creating unauthorized withdrawals over several years, typically in the form of electronic wires from annuity accounts titled only to Judith O'Maille. The money went from Judith O'Maille's annuity account to an account titled "Stewart Cabinetry", which is a company owned by Stewart's husband, Jeffrey Stewart, and where Stewart kept the company's books and records. Judith O'Maille was not an authorized signer on the "Stewart Cabinetry" account and therefore did not have access to those wired, misappropriated, funds. With the additional money from her mother's accounts, Stewart and her husband enhanced their standard of living, and also purchased automobiles, including Corvettes, large boats, and relatively exotic vacations for themselves.

For the years 2000, 2001, and 2002, Stewart caused false tax returns to be filed for herself and her husband that substantially under-reported their income. Specifically, Stewart failed to report \$402,513 of her income, which represents the amount of money she defrauded from her mother.

Wire fraud is punishable by up to 20 years imprisonment and a \$250,000 fine. Filing a false income tax return is punishable by up to three years imprisonment and a \$100,000 fine.

Lockhart commended the investigation by IRS Criminal Investigation agents and Assistant U.S. Attorney Dan Brown, who is prosecuting the case.

###